

STATE EMPLOYMENT INFORMATION

Standard Work Schedule

8:00 am - 4:30 pm, Monday through Friday; 37.5 hour work week. Agency appointing authorities have the discretion to alter the standard schedule to cover the needs of the organization.

1 hour lunch period, 2 rest breaks each day at the discretion of the agency's appointing authority, not to exceed 15 minutes each

Pay Periods

Employees are paid twice a month, in the middle and on the last day of the month. Each paycheck reflects payment for work performed during the previous pay period, rather than the pay period just completed. For example, employees who begin working for the state on July 1, 2007, will be paid for work performed during the July 1 - 15 pay period on July 31. Employees will be paid for work performed during the July 16 - 31 pay period on August 15. Employees receive their pay through direct deposit to their bank accounts and receive pay stubs by mail. If a payday falls on a weekend or holiday, employees are paid on the nearest working day in advance of that date.

Annual Leave

Full-time employees are eligible to accrue annual leave after completion of a calendar month or a major fraction of a month of service (one-tenth of one hour over 50% of the employees' scheduled working hours in any month). Leave is accrued on a regular workday basis, with one day of leave equivalent to 7.5 hours. The amount of leave an employee is eligible to accumulate each month is based on the employee's state service, as indicated by the following:

Years Service	Days/Hours Accrued Per Month	Days/Hours Maximum Accrual
< 5 Years	1 day / 7.5 hr	30 days / 225.0 hr
5 to < 10	1 ½ days / 11.3 hr	36 days / 270.0 hr
10 to < 20	1 ¾ days / 13.2 hr	39 days / 292.5 hr
20 or more	2 days / 15.0 hr	42 days / 315.0 hr

Each employee's supervisor must approve the use of annual leave before the leave can be taken. Any accumulated annual leave above maximum allowable accrual rates converts to sick leave at the end of each year of service, directly following the employee's service anniversary date.

Sick Leave

Full-time employees are eligible to accrue sick leave after completion of a calendar month or major fraction of a month of service. Employees accrue at the rate of one day (7.5 hours) per month, regardless of length of service, with no maximum accrual. Employees who separate from state service are not compensated for unused sick leave. However unused balances may be reinstated if employees return to state service. Upon retirement, any unused sick leave hours are converted to creditable service toward retirement. Every 20 days of sick leave equate to one month of creditable service.

Note: Additional details on the state's attendance and leave policies can be found in the Department of

Personnel's (DOP) Attendance and Leave Manual. A copy can be obtained through the department's website at www.state.tn.us/personnel/resources/index.htm.

Transfer of Annual and Sick Leave Earned While Employed by a State College or University

Persons currently employed by a college or university within the University of Tennessee or Tennessee Board of Regents systems may have their accrued sick and annual leave balances transferred following their subsequent employment with a general government agency. It is each employee's responsibility to contact the human resources office of the higher education institution where the employee currently works to obtain verification of months of service, number of hours worked per day and annual and sick leave balances.

Note: Employees of state colleges and universities currently scheduled to work 40 hours per week and who accrue leave based on an 8 hour day will have their leave balances converted based on a 7.5 hour day.

Longevity Pay

Longevity pay is a lump sum payment intended to reward employees for service to the state and to encourage employees to remain employed by the state. All full-time employees are eligible for longevity pay after three years (36 months) of creditable state service. Longevity pay is awarded at the rate of \$100 per each year (12 months) of service, up to a maximum of 30 years of service. The payment is made each year following the employee's service anniversary date.

New employees with no prior state service who begin working for the state on July 1, 2007 will receive their first longevity payment of \$300 on July 31, 2010.

Establishing Prior Service Credit for Leave Accrual and Longevity Pay for Employees of State Colleges and Universities

Current employees of state colleges and universities may receive service credit toward their annual leave accrual rate and longevity pay for all creditable months of service with the college or university. This is part of the documentation the employee must obtain from the human resources office of the higher education institution where the employee works.

Insurance

Health and Life Insurance

The state offers several health care options in the Middle Tennessee area, including participation in a Preferred Provider Organization (PPO), Point of Service (POS), and a Health Maintenance Organization (HMO).

Employees who participate in the health insurance program also receive certain amounts of basic term and basic special accident life insurance coverage, depending on age and salary. The state provides, at no cost to the employee, \$20,000 of basic term life and \$40,000 of basic special accident coverage for employees who elect health coverage, earn less than \$15,000, and are under age 65. The amount of coverage increases as the employee's salary increases, with premiums for coverage above \$20,000/\$40,000 deducted from the employee's paycheck.

Coverage Options

The state offers the following coverage options. The attached schedule provides a summary of the monthly health insurance premiums for each plan based on the level of coverage.

Single: Covers employee only

Family: Covers employee, spouse and all eligible dependent children

Split/Single Split: Coverage applies when a husband and wife are both employed by the state and ensures that each employee receives the maximum amount of basic life insurance available to them. If there are eligible children, one employee will enroll in split and cover him or her and the dependent. The other employee will enroll in single split and cover only him or her. If there are no dependent children to be covered, each employee will enroll in single split coverage.

Eligibility

An employee has from the first day of employment through the last day of the first full calendar month worked to submit an enrollment application. Coverage begins on the first day of the month after the employee has completed one full calendar month. For example, an employee who reports to work with the state on July 1 will have coverage beginning on August 1. An employee who reports to work with the state on any day later in the month of July will have coverage beginning on September 1.

PPO and POS Preexisting Condition Clause

A preexisting condition is defined as a condition for which a covered person received treatment or advice during the six-month period immediately prior to coverage with the state's plan. The healthcare options that apply a preexisting condition clause are the PPO and the POS. The HMO does not have preexisting condition requirements for their enrollees. The preexisting condition clause does not apply to pregnancy, newborns or adopted children or children placed for adoption. If an employee enrolls as a new hire and has had health coverage without a 63-day lapse between prior health coverage, the six-month preexisting condition clause will be waived. Newly hired employees and their dependents will be required to furnish a Certificate of Coverage letter (letter on former employer or insurance carrier letterhead) stating they had prior coverage, the names of participants enrolled and the date the coverage terminated. The letter is required in order to be exempt from the preexisting requirements.

Optional Insurance

The state offers two optional dental insurance plans and well as plans for special accident insurance, universal life and term life, and long-term care insurance.

Note: Additional details on each medical, dental, and optional insurance plan, associated costs, eligibility criteria and preexisting condition criteria can be obtained through the Department of Finance and Administration's Insurance Division website at www.state.tn.us/finance/ins.

Retirement

All full-time employees are covered by the retirement system as a condition of employment. Employees entering service are not required to contribute to the retirement system. State employees attain vesting after five years of membership service. A vested member is one who has accrued enough years of service to guarantee a retirement benefit once age requirements are met. If an employee leaves covered employment before becoming vested, the employee loses membership in the retirement system after seven years. If the employee leaves covered employment after becoming vested, the employee retains retirement system membership until retirement or death.

The state retirement plan is a “defined benefit” plan which means that the amount of any future benefits will be determined by a benefit formula rather than an account balance. In most cases, benefits amounts are affected by three factors - length of service, final average salary (average of the five highest consecutive years of salary), and the social security integration level (average of social security wage bases) in the year the employee retires or dies. A vested member becomes eligible for service retirement upon completing 30 years of membership service or upon reaching age 60.

Additional detailed information on the state’s retirement system may be obtained through the Department of Treasury’s Retirement Division website at www.treasury.state.tn.us/tcrs.

Deferred Compensation

Employees are eligible to participate in two optional tax-deferred savings plans operated by the state, a 457 plan and a 401(k) plan. Contributions to these plans are made through regular payroll deductions. Salary set aside through these plans cannot be withdrawn before separation from service, except under a few limited circumstances. Participants in either plan can choose to direct their contributions among a variety of investment options. The minimum employee contribution to either plan is \$20 per month. The state will contribute up to \$40 per month as a match.

Additional detailed information on the state’s deferred compensation plans can be obtained through the Department of Treasury’s website at www.treasury.state.tn.us/dc.

Flexible Benefits

The state offers a Flexible Benefits program which allows employees to pay certain expenses from pre-tax rather than after-tax income. Insurance premiums, medical expenses and dependent day care expenses are eligible to be paid with pre-tax money under this program.

Detailed information on enrollment, setting up reimbursement accounts for medical and dependent day care expenses, and how the program is administered can be obtained through the Department of Treasury’s website at www.treasury.state.tn.us/flex.

Higher Education Fee Waivers and Fee Discounts

State employees are eligible for fee waivers and fee discounts at any state supported college, university or technology center if they have completed six months of state employment prior to the beginning of the class.

Fee Waiver: The fee waiver program allows employees to take one undergraduate or graduate course per semester at any state higher education institution. Generally, all fees are waived except for parking fees, lab fees and similar charges.

Fee Discount: The fee discount program provides a 25% discount on enrollment fees for undergraduate courses, generally referred to as tuition, for the child of a state employee. No other fees are included in the discount. The child must be under the age of 24 and living or have previously lived in a parent-child relationship with the state employee. The discount will be applied to any number of courses up to and including full-time study.

Note: While a state employee can receive the fee waiver and his or her eligible children can receive the fee discount during the same time period, a state employee who is the child of a state employee cannot receive both the fee waiver and the fee discount concurrently. Employees in this situation need to determine which program most benefits their particular situation.

Additional details regarding these programs may be obtained through the Tennessee Higher Education Commission's website at www.state.tn.us/thec, clicking the link to Legal and Regulatory Affairs and then clicking the link to Fee Waiver and Fee Discount Programs.

Sick Leave Bank

The state has a sick leave bank which provides emergency sick leave to member employees who have suffered a disability as a result of an unplanned personal illness or injury and who have exhausted their personal sick, compensatory and annual leave balances. Open enrollment begins each year on August 1 and continues through October 31. A person must be employed by state government for twelve full consecutive months immediately preceding application for participation, be in a leave accruing status (not on leave without pay), and have a sick leave balance of at least six days as of October 31 of the current enrollment year to be eligible to participate in the sick leave bank. By donating four days of sick leave at the time of enrollment and one day of sick leave annually, a member may receive grants of up to 90 workdays for any one illness, reoccurring diagnosed illness, or accident. Leave grants from the bank are for no more than 20 consecutive days for which the member has not otherwise been paid. Members must submit a supplementary Document of Continuing Disability form to request more leave for the same illness or injury. Grants from the sick leave bank are limited to 90 days within a twelve month period.

More detailed information on the sick leave bank may be obtained through the Department of Personnel's website at www.state.tn.us/personnel/resources/index.htm.

Attachment

Monthly Health Insurance Premiums (Rates Effective 1/1/2007)

		Employee Deduction	Employer Contribution
BlueCross BlueShield PPO	Single	94.89	379.54
	Family	236.90	947.59
	Split	142.01	568.05
	Single Split	94.89	379.54
Cigna HMO - Memphis	Single	69.44	379.54
	Family	171.98	947.59
	Split	102.54	568.05
	Single Split	69.44	379.54
Cigna HMO - Nashville	Single	67.22	379.54
	Family	170.89	947.59
	Split	103.67	568.05
	Single Split	67.22	379.54
United HMO - East	Single	69.87	379.54
	Family	174.47	947.59
	Split	104.60	568.05
	Single Split	69.87	379.54
Cigna POS	Single	75.51	379.54
	Family	188.55	947.59
	Split	113.04	568.05
	Single Split	75.51	379.54

The premiums listed are for basic medical only and do not include the cost of basic term life and basic special accident.